

dedicated to removing barriers and leveling the playing field for agriculture exports. As part of these efforts, it is essential that the U.S. maintains its reputation and its credibility for safe, high-quality crops and food products.

Through reauthorization of this bipartisan legislation, Congress is ensuring the continuation of the USDA's grain inspection services and supporting farmers and ranchers across the country.

Finally, I want to salute and say thanks to two of my great friends who are mentors and leaders in the ag world. Our current chairman of the Agriculture Committee, COLLIN PETERSON, I thank the gentleman for his great leadership and for his friendship. Of course, I salute our current ranking member and our past committee chairman as well, MIKE CONAWAY. The chairman has done a great job as well. It has been an honor to work with the gentleman. I wish both gentlemen Godspeed and health to all their families.

Mr. PETERSON. Mr. Speaker, I have no additional speakers, and I reserve the balance of my time.

Mr. CONAWAY. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. JOHNSON), who is my colleague and a fellow member on the Agriculture Committee.

Mr. JOHNSON of South Dakota. Mr. Speaker, I thank Ranking Member CONAWAY. The gentleman has been a champion. I thank Chairman PETERSON. The gentleman has been a champion.

We are here on the floor this afternoon debating the United States Grain Standards Reauthorization Act, and I rise in support of that act.

Agriculture is a business where almost nothing is certain. From poor weather to trade disruptions to transport delays, these all create an incredible environment of unpredictability. In that environment of unpredictability, producers should not have to face unpredictability in agricultural policy. That means that when Congress can come together in a bipartisan way and offer a bit of certainty, we absolutely should do so.

That brings us to the Grain Standards Reauthorization Act. I am glad that we are passing a 5-year reauthorization so that the user-funded USGSA will allow buyers and sellers to quickly and effectively determine those quality specs that are outlined in contracts.

In this world of uncertainty, Mr. Speaker, I am glad and I am proud that we are going to send this to the President's desk, and, of course, I urge all of my colleagues to support this legislation.

Mr. PETERSON. Mr. Speaker, I have no additional speakers, and I reserve the balance of my time.

Mr. CONAWAY. Mr. Speaker, I have no further speakers, and I yield myself the remainder of my time.

Mr. Speaker, before I close, I would like to make a couple of comments about my colleague from Minnesota.

COLLIN PETERSON has served this House and the constituents of Minnesota's Seventh District, but, more importantly, rural America and production agriculture for 30 years.

My first memory of Chairman PETERSON came in the 2008 farm bill reauthorization markup. That was my very first one. I was a rookie, and that was his 15th or 16th farm bill to chair. He was stunningly patient with me during that entire process and had a big influence on me.

I don't think there has been anyone more dedicated and more steadfast as a supporter for rural America and production agriculture than Chairman PETERSON. He has seen good times and bad times, unfortunately, probably more bad times during that 30 years than good times. He has been a champion for both rural America and production agriculture throughout that timeframe. Rural America and production agriculture are both better off for his long service to this House and to the constituents of Minnesota's Seventh District.

Mr. Speaker, I urge passage of S. 4054, and I yield back the balance of my time.

Mr. PETERSON. Mr. Speaker, I yield myself the balance of my time.

I thank the gentleman for his kind words and for his willingness to work with us over these last number of years.

With this bill, we got just about all of our work done. We have the CFTC reauthorization we didn't get done, but everything else is off the plate. So that is good.

We made good progress. We will, both of us, ride off into the sunset, I think, feeling that we have done a decent job.

So, again, I thank Mr. CONAWAY and all members of the committee for the work that they do and wish them well in the next Congress.

Mr. Speaker, I ask everybody to unanimously support S. 4054, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. PETERSON) that the House suspend the rules and pass the bill, S. 4054.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HOLDING FOREIGN COMPANIES ACCOUNTABLE ACT

Mr. CLAY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 945) to amend the Sarbanes-Oxley Act of 2002 to require certain issuers to disclose to the Securities and Exchange Commission information regarding foreign jurisdictions that prevent the Public Company Accounting Oversight Board from performing inspections under that Act, and for other purposes, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Holding Foreign Companies Accountable Act".

SEC. 2. DISCLOSURE REQUIREMENT.

Section 104 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7214) is amended by adding at the end the following:

"(i) DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.—

"(1) DEFINITIONS.—In this subsection—

"(A) the term 'covered issuer' means an issuer that is required to file reports under section 13 or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m, 78o(d)); and

"(B) the term 'non-inspection year' means, with respect to a covered issuer, a year—

"(i) during which the Commission identifies the covered issuer under paragraph (2)(A) with respect to every report described in subparagraph (A) filed by the covered issuer during that year; and

"(ii) that begins after the date of enactment of this subsection.

"(2) DISCLOSURE TO COMMISSION.—The Commission shall—

"(A) identify each covered issuer that, with respect to the preparation of the audit report on the financial statement of the covered issuer that is included in a report described in paragraph (1)(A) filed by the covered issuer, retains a registered public accounting firm that has a branch or office that—

"(i) is located in a foreign jurisdiction; and

"(ii) the Board is unable to inspect or investigate completely because of a position taken by an authority in the foreign jurisdiction described in clause (i), as determined by the Board; and

"(B) require each covered issuer identified under subparagraph (A) to, in accordance with the rules issued by the Commission under paragraph (4), submit to the Commission documentation that establishes that the covered issuer is not owned or controlled by a governmental entity in the foreign jurisdiction described in subparagraph (A)(i).

"(3) TRADING PROHIBITION AFTER 3 YEARS OF NON-INSPECTIONS.—

"(A) IN GENERAL.—If the Commission determines that a covered issuer has 3 consecutive non-inspection years, the Commission shall prohibit the securities of the covered issuer from being traded—

"(i) on a national securities exchange; or

"(ii) through any other method that is within the jurisdiction of the Commission to regulate, including through the method of trading that is commonly referred to as the 'over-the-counter' trading of securities.

"(B) REMOVAL OF INITIAL PROHIBITION.—If, after the Commission imposes a prohibition on a covered issuer under subparagraph (A), the covered issuer certifies to the Commission that the covered issuer has retained a registered public accounting firm that the Board has inspected under this section to the satisfaction of the Commission, the Commission shall end that prohibition.

"(C) RECURRENCE OF NON-INSPECTION YEARS.—If, after the Commission ends a prohibition under subparagraph (B) or (D) with respect to a covered issuer, the Commission determines that the covered issuer has a non-inspection year, the Commission shall prohibit the securities of the covered issuer from being traded—

"(i) on a national securities exchange; or

"(ii) through any other method that is within the jurisdiction of the Commission to

regulate, including through the method of trading that is commonly referred to as the 'over-the-counter' trading of securities.

“(D) REMOVAL OF SUBSEQUENT PROHIBITION.—If, after the end of the 5-year period beginning on the date on which the Commission imposes a prohibition on a covered issuer under subparagraph (C), the covered issuer certifies to the Commission that the covered issuer will retain a registered public accounting firm that the Board is able to inspect under this section, the Commission shall end that prohibition.

“(4) RULES.—Not later than 90 days after the date of enactment of this subsection, the Commission shall issue rules that establish the manner and form in which a covered issuer shall make a submission required under paragraph (2)(B).”

SEC. 3. ADDITIONAL DISCLOSURE.

(a) DEFINITIONS.—In this section—

(1) the term “audit report” has the meaning given the term in section 2(a) of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7201(a));

(2) the term “Commission” means the Securities and Exchange Commission;

(3) the term “covered form”—

(A) means—

(i) the form described in section 249.310 of title 17, Code of Federal Regulations, or any successor regulation; and

(ii) the form described in section 249.220f of title 17, Code of Federal Regulations, or any successor regulation; and

(B) includes a form that—

(i) is the equivalent of, or substantially similar to, the form described in clause (i) or (ii) of subparagraph (A); and

(ii) a foreign issuer files with the Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) or rules issued under that Act;

(4) the terms “covered issuer” and “non-inspection year” have the meanings given the terms in subsection (i)(1) of section 104 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7214), as added by section 2 of this Act; and

(5) the term “foreign issuer” has the meaning given the term in section 240.3b-4 of title 17, Code of Federal Regulations, or any successor regulation.

(b) REQUIREMENT.—Each covered issuer that is a foreign issuer and for which, during a non-inspection year with respect to the covered issuer, a registered public accounting firm described in subsection (i)(2)(A) of section 104 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7214), as added by section 2 of this Act, has prepared an audit report shall disclose in each covered form filed by that issuer that covers such a non-inspection year—

(1) that, during the period covered by the covered form, such a registered public accounting firm has prepared an audit report for the issuer;

(2) the percentage of the shares of the issuer owned by governmental entities in the foreign jurisdiction in which the issuer is incorporated or otherwise organized;

(3) whether governmental entities in the applicable foreign jurisdiction with respect to that registered public accounting firm have a controlling financial interest with respect to the issuer;

(4) the name of each official of the Chinese Communist Party who is a member of the board of directors of—

(A) the issuer; or

(B) the operating entity with respect to the issuer; and

(5) whether the articles of incorporation of the issuer (or equivalent organizing document) contains any charter of the Chinese Communist Party, including the text of any such charter.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

Missouri (Mr. CLAY) and the gentleman from Ohio (Mr. GONZALEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 945, the Holding Foreign Companies Accountable Act, which would suspend the trading of securities of foreign issuers that retain accounting firms not subject to audit by the Public Company Accounting Oversight Board after 3 years of noncompliance, as well as require the issuer to disclose whether it is owned or controlled by a foreign government.

I would like to thank Senator KENNEDY and Representative SHERMAN, who cosponsored the House version of S. 945, for working on this incredibly important and long-overdue piece of legislation.

The Enron and WorldCom financial reporting scandals wiped out billions of dollars from retirement accounts, eliminated tens of thousands of jobs, and defrauded investors hundreds of billions of dollars. To ensure U.S. investors, workers, retirees, and capital markets were never again exposed to this type of egregious fraud, Congress established the PCAOB through the Sarbanes-Oxley Act to protect investors by overseeing the audits of public companies and ensuring the preparation of informative, accurate, and independent corporate disclosures and audit reports by inspection.

As former PCAOB board member Steven Harris noted: “The PCAOB was established because the accounting profession’s framework of self-regulation had failed,” and the creation of an independent auditor to inspect and verify corporate disclosures and audit work was necessary.

However, citing various foreign secrecy, privacy, and national security laws, many foreign issuers who enjoy the full benefits and privileges of trading on U.S. exchanges and access to U.S. public markets have openly flouted U.S. investor protections and prohibited the PCAOB from inspecting their corporate disclosures as well as the auditor’s work.

According to a June 2020 PCAOB report, China alone had 202 public companies listed on U.S. exchanges representing \$1.8 trillion in market capitalization that the PCAOB has been unable to fully and adequately inspect.

Make no mistake, the ability of foreign issuers to circumvent PCAOB inspection affirmatively allows foreign

companies to exploit U.S. workers and retirees and comes at the direct expense of U.S. investors and the integrity of U.S. markets. To continue with business as usual reverts us back to the Enron and WorldCom status quo.

By suspending the trading of securities issued by foreign issuers who are not fully compliant with PCAOB audit inspections for 3 years, the Holding Foreign Companies Accountable Act will hold noncompliant foreign issuers accountable and help safeguard U.S. investors and the integrity of our markets.

We can no longer allow foreign issuers to exploit our system. I call on my colleagues on both sides of the aisle to stand with me in protecting American workers, retirees, and investors by supporting the bipartisan Holding Foreign Companies Accountable Act.

Mr. Speaker, I reserve the balance of my time.

□ 1630

Mr. GONZALEZ of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us today relates to an issue that the President’s Working Group on Financial Markets and the Securities and Exchange Commission are diligently working to address: the Public Company Accounting Oversight Board’s inability to inspect the audit work and practices of PCAOB-registered auditing firms in China.

The mission of the PCAOB is to oversee the audits of public companies and provide the public with informative, accurate, and independent audit reports. The Sarbanes-Oxley Act and the PCAOB’s rules impose requirements on firms that perform audit work for public companies, which include providing complete and timely access for PCAOB inspections.

Conducting inspections in the United States is simple; however, conducting them internationally requires agreements with foreign regulators and firms.

Over the years, the PCAOB has worked closely with their foreign counterparts on specific requirements for nearly all jurisdictions that have U.S.-listed public companies. This collaboration allows for joint inspections and enforcement matters. However, there are a few countries for which no such agreements exist. The outstanding jurisdictions include Belgium, France, Hong Kong, and China.

The Board is currently working on agreements that would lead to cooperation in Belgium and France and expects to have a final cooperative agreement to facilitate access in the near future.

China, on the other hand, has skirted these requirements. They have done so without showing any interest in allowing for such cooperation. As a result, the PCAOB cannot inspect the audit work and practices of firms in China and Hong Kong to the extent their clients have operations in mainland

China. The Chinese Government has exacerbated the situation by prohibiting audit firms from providing this information without the consent of Chinese financial regulators.

Mr. Speaker, this bill before us today prohibits the securities of a public company from being traded on a national securities exchange if the issuer has had 3 consecutive “non-inspection years,” that is, years that the PCAOB is unable to inspect a public company’s auditors.

During these non-inspection years, each company would be required to disclose the percentage of the shares owned by governmental entities, the governmental entities that have a controlling financial interest, and if any official of the Chinese Communist Party is a member of the company’s board as well as any ownership by the CCP.

As the title of this legislation suggests, the Holding Foreign Companies Accountable Act is designed to prevent companies based in China and certain other jurisdictions from taking advantage of our deep and liquid capital markets while avoiding the scrutiny that comes with inspection of their financial statement audits.

This situation is unfair and dangerous for investors. For that reason, the act should be read to apply to companies where the auditor that signs the audit report is located in a jurisdiction that does not permit PCAOB inspection access.

Mr. Speaker, nearly 6 months ago, the President released the Memorandum on Protecting United States Investors from Significant Risks from Chinese Companies. The memo directed the President’s Working Group on Financial Markets to provide recommendations to address the issues with China. Three months ago, the President’s Working Group released that report.

The report comprehensively details a number of recommendations to level the playing field for all companies listed on our exchanges and improve disclosure on the risks of investing in emerging markets. The implementation of these recommendations would effectuate the intent of Senator KENNEDY’s legislation.

Moreover, immediately following the release of the report, SEC Chairman Clayton directed staff to prepare proposals to address these recommendations in a comprehensive and transparent manner through the rulemaking process.

Mr. Speaker, I applaud Senator KENNEDY and his staff for their efforts and the President’s Working Group on Financial Markets, as well as the PCAOB for their diligence.

I also thank House Minority Leader MCCARTHY and House Committee on Foreign Affairs Ranking Member MCCAUL for their leadership on the China Task Force. Republicans have and will continue to fight against communism and the global threat the Chinese Government poses.

Mr. Speaker, finally, I thank Mr. SHERMAN for working with me to have similar legislation included in the House NDAA and his work in bringing this legislation to the floor today.

Again, I thank the gentleman from Louisiana, Senator KENNEDY, for all his work in standing up to China, and I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, it gives me great pleasure to yield such time as he may consume to the gentleman from California (Mr. SHERMAN), my 20-year friend and colleague.

Mr. SHERMAN. Mr. Speaker, I thank the gentleman for yielding. I will speak longer than I usually do on these bills because I both want to persuade people to support the bill and also provide important information to the entire House that will be part of the legislative history of this bill and is designed to guide the SEC in issuing appropriate regulations.

Mr. Speaker, I rise in strong support of S. 945, the Holding Foreign Companies Accountable Act. I thank Chairwoman WATERS and her staff for working with my office, and all the members who have been involved in this bill and making this issue a priority.

Mr. Speaker, I believe this will be perhaps the most significant piece of investor protection legislation that the Congress adopts this Congress because it applies to some 224 publicly traded companies and assures investors of the financial statement integrity that they expect from all companies that are traded in the United States.

Mr. Speaker, let’s go back in history a bit. For well over a century, investors in corporations have insisted that the financial statements they get are audited by an independent auditor. But at the beginning of this century, we learned that that was not enough. We saw Enron and WorldCom. We passed the Sarbanes-Oxley bill, and created the PCAOB so that we have a system where not only are the companies’ financial statements audited, but the audit is subject to being audited by a governmental entity. That is essential in this century to have investors adequately protected. So when we are dealing with 224 public companies with \$1.8 trillion in capitalization, we need that level of protection.

Mr. Speaker, I thank my colleague from Ohio (Congressman GONZALEZ) for joining me in leading on this issue in the House. I thank my good friend and cochair of the bicameral, bipartisan CPA Caucus, MIKE CONAWAY, who has been working on these issues for many years. And I thank Senators KENNEDY and VAN HOLLEN for their leadership in advancing this bill.

Mr. Speaker, currently the PCAOB, the Public Company Accounting Oversight Board, is unable to inspect the audit work and practices of certain audit firms in a handful of jurisdictions. Today, that includes Belgium and France to some degree, but, primarily, the issue is China. In most cases, audit firms in those jurisdictions

cite local laws related to data protection or national security as a reason for being unable to provide the PCAOB with the information they need.

Accordingly, as I mentioned before, the PCAOB has noted that the auditor for some 224 U.S.-listed companies with a combined total capitalization of \$1.8 trillion is not subject to the enhanced oversight that this Congress has insisted upon since 2002.

Since it was created, the PCAOB has established a formal cooperative relationship with foreign audit regulators that have allowed it to conduct inspections of firms in more than 59 U.S. jurisdictions. However, the PCAOB and the Securities Exchange Commission have tried to engage with Chinese regulators for over a decade in an effort to reach a similar cooperative agreement and are still not able to conduct inspections with regard to China or Hong Kong.

Mr. Speaker, our legislation will bring an end to this sort of risk for investors in U.S. markets by requiring the SEC to stop trading in a company’s stocks if the PCAOB is unable to inspect the audit report and the audit work papers for a period of 3 years.

Mr. Speaker, this is an investor protection bill. I am chair of the Investor Protection and Capital Markets Subcommittee. This bill is not anti-China, and it is not designed to prohibit the trading of Chinese companies. Rather, it provides a 3-year window, during which we expect China will enter into a reasonable agreement with the SEC and the PCAOB so that we have the additional level of protection for investors that we expect and have demanded since we passed the Sarbanes-Oxley bill in 2002.

Mr. Speaker, I am pleased to say that the House has already passed this legislation in similar—and actually, superior—form as an amendment to the 2001 NDAA, National Defense Authorization Act. It is the intention of the authors of this Senate bill to achieve exactly what that language—approved by the House earlier this year—sets forward. And that amendment to the NDAA is part of the legislative history of this bill and our consideration of it today.

Mr. Speaker, in order to guide the interpretation of this bill, Senator KENNEDY and I have a statement, and I include in the RECORD that statement.

UNITED STATES SENATE

Statement: S. 945—Holding Foreign Companies Accountable Act. Considered on Friday, December 2, 2020

Madam Speaker, I write to submit a statement for the record to address S. 945, the Holding Foreign Companies Accountable Act.

It is the intent of this legislation to provide the Securities and Exchange Commission with the discretion necessary to determine how much of a company’s total audit must be performed by a firm beyond the reach of PCAOB inspections before trading in the company’s securities is prohibited by the Commission. Consistent with our work with the Securities and Exchange Commission on this legislation, it is our expectation that the Commission will not prohibit trading in

the securities of companies under this act, as long as not more than one third of a company's total audit is performed by a firm beyond the reach of PCAOB inspections. This legislation provides the Commission with the authority to determine how an audit would be measured, whether that be total revenue, assets, or another metric.

Furthermore, the scope of this legislation is not intended to be limited to public companies which rely on foreign audit firms that have some form of ownership relationship with a PCAOB-registered public accounting firm. Specifically, it is intended to also encompass public companies which rely on foreign audit firms that are affiliated with or maintain some form of affiliation agreement with a PCAOB-registered public accounting firm.

JOHN KENNEDY,
U.S. Senator.

Mr. SHERMAN. Mr. Speaker, I will read it so that it is before the entire House.

"It is the intent of this legislation to provide the Securities and Exchange Commission with the discretion necessary to determine how much of a company's total audit must be performed by a firm beyond the reach of PCAOB inspections before trading in the company's securities is prohibited by the Commission. Consistent with our work with the Securities and Exchange Commission on this legislation, it is our expectation that the Commission will not prohibit trading in the securities of companies under this act, as long as not more than one-third of a company's total audit is performed by a firm beyond the reach of the PCAOB inspections. This legislation provides the Commission with the authority to determine how an audit would be measured, whether that be total revenue, assets, or another metric.

"Furthermore, the scope of this legislation is not intended to be limited to public companies which rely on foreign audit firms that have some form of ownership relationship with a PCAOB-registered public accounting firm. Specifically, it is intended to also encompass public companies which rely on foreign audit firms that are affiliated with or maintain some form of affiliation agreement with a PCAOB-registered public accounting firm."

Mr. Speaker, one particular comment to draw your attention to is that it is not the intention of this bill to cover firms that have some small part of their audit being done in China, perhaps one subsidiary in China, but is rather designed to apply when a third or more of the audit is not subject to PCAOB inspection. And how you define one-third of the audit, whether that is the audit of one-third of the revenues or one-third of the assets, or some other metric, is left to the SEC.

As House sponsor of this legislation, I have cosigned the statement I have just read, prepared by Senator KENNEDY, but would have the following additional remarks:

I will take this opportunity to make clear, it is not the intention of this legislation that every public company, which is a client of an audit firm with

a branch, office, or affiliate in a jurisdiction beyond the reach of the PCAOB inspections, be subject to a trading prohibition.

Instead, the trading prohibitions required under this bill are intended to be applied when a significant portion of the audit is prepared by an audit firm or the branch, or office, or affiliate of an audit firm which the PCAOB is unable to inspect, and the SEC has the authority to interpret this provision.

As chair of the Investor Protection and Capital Markets Subcommittee, I appreciate how critical it is for investors on U.S. stock exchanges to have the additional protection that the financial statements have not just been audited, but that that audit is subject to review by the PCAOB.

Mr. Speaker, I appreciate my colleagues for their support of this legislation, and look forward to its passage here today.

Mr. Speaker, I thank the gentleman for yielding me enough time to both describe the major parts of the legislation and also make it clear to the regulators what expectations the House and Senate have for the regulations that they will issue.

Mr. GONZALEZ of Ohio. Mr. Speaker, may I inquire how much time each side has remaining.

The SPEAKER pro tempore. The gentlemen from Ohio has 16 minutes remaining. The gentleman from Missouri has 6½ minutes remaining.

Mr. GONZALEZ of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply urge my colleagues to support S. 945.

Again, I thank everyone for making this legislation possible. I thank Mr. SHERMAN for his comments and his work and partnership on this important issue.

I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, let me first thank my friend from Maryland, Senator CHRIS VAN HOLLEN, for his cosponsorship of this legislation.

The Holding Foreign Companies Accountable Act would require the SEC to suspend the trading of securities at issue by foreign issuers who are not fully compliant with PCAOB audit inspection for 3 years, commencing upon the enactment of this bill, as well as require foreign issuers to disclose whether they are owned or controlled by a foreign government.

For too long, foreign issuers have circumvented important investor protections crafted by Congress to protect U.S. investors, retirees, workers, and U.S. capital markets. This common-sense bill does nothing more than ensure a level playing field by requiring foreign issuers to play by the same rules as everyone else.

Additionally, with passage of this bill, investors and markets can be assured that the legally required disclosures they are receiving pursuant to

U.S. law from the company they are investing in have been thoroughly vetted by an independent entity whose mission is to protect investors and safeguard market integrity.

Maintaining the status quo would allow foreign issuers to continue to exploit U.S. retirees, workers, and investors, all while allowing them continued access to the greatest, most dynamic capital market system in the world.

I call on all my colleagues on both sides of the aisle to join me in supporting the bipartisan Holding Foreign Companies Accountable Act.

Mr. Speaker, I yield back the balance of my time.

Mr. BARR. Mr. Speaker, I rise in strong support of S. 945. The United States has the most robust and advanced capital markets in the world. They provide access to capital for some of the most innovative businesses, and create an avenue for investors of all levels to save for retirement and plan for their futures.

It follows that companies from around the globe flock to the U.S. capital markets to fund their businesses; and the U.S. is happy to be the destination for these firms. However, to play in our markets, companies need to play by our rules; and Chinese firms listed on American exchanges are the worst and most frequent offenders. Gone are the days when we can sit idly by and let Chinese firms, many with strong ties to the Chinese Communist Party, participate in our markets at the expense of protection for everyday investors.

Most publicly traded firms are audited by public accounting firms, which, in turn, are overseen by the PCAOB. This gives investors confidence that the books are accurate. China, however, refuses to let the PCAOB review its auditors.

The result? At best, investors lack confidence in the validity and reliability of a company's financial data. Even worse, thousands of investors are downright defrauded. The worst case scenario—American savers are unwittingly funding efforts by Chinese SOEs to usurp America's global supremacy and compromise U.S. national security.

I was proud to serve on the House China Task Force, where we closely examined, among other things, China's participation in U.S. capital markets. Earlier this year, we published a report with over 130 recommendations—most of which are bipartisan. Passage of the House companion to S. 945, sponsored by Mr. SHERMAN, was among the recommendations.

Also among the recommendations was passage of my bill, the Transparency in Chinese Government Investment Act, which would direct the SEC to investigate whether disclosure of a business's ties to the CCP or other malign Chinese initiatives is material for investors; and, if so, require companies to report.

We can no longer allow China to take advantage of our rules, defraud our investors, and challenge the spirit of free enterprise. I urge support of S. 945.

□ 1645

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. CLAY) that the House suspend the rules and pass the bill, S. 945.

The question was taken; and (two-thirds being in the affirmative) the

rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

NATIONAL PURPLE HEART HALL OF HONOR COMMEMORATIVE COIN ACT

Mr. CLAY. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 1830) to require the Secretary of the Treasury to mint coins in commemoration of the National Purple Heart Hall of Honor.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “National Purple Heart Hall of Honor Commemorative Coin Act”.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The National Purple Heart Hall of Honor’s mission is—

(A) to commemorate the extraordinary sacrifice of America’s servicemen and servicewomen who were killed or wounded by enemy action; and

(B) to collect and preserve the stories of Purple Heart recipients from all branches of service and across generations to ensure that all recipients are represented.

(2) The National Purple Heart Hall of Honor first opened its doors on November 10, 2006, in New Windsor, NY.

(3) The National Purple Heart Hall of Honor is co-located with the New Windsor Cantonment State Historic Site.

(4) The National Purple Heart Hall of Honor is the first to recognize the estimated 1.8 million U.S. servicemembers wounded or killed in action representing recipients from the Civil War to the present day, serving as a living memorial to their sacrifice by sharing their stories through interviews, exhibits and the Roll of Honor, an interactive computer database of each recipient enrolled.

SEC. 3. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—The Secretary of the Treasury (hereafter in this Act referred to as the “Secretary”) shall mint and issue the following coins:

(1) \$5 GOLD COINS.—Not more than 50,000 \$5 coins, which shall—

(A) weigh 8.359 grams;

(B) have a diameter of 0.850 inches; and

(C) contain 90 percent gold and 10 percent alloy.

(2) \$1 SILVER COINS.—Not more than 400,000 \$1 coins, which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain not less than 90 percent silver.

(3) HALF-DOLLAR CLAD COINS.—Not more than 750,000 half-dollar coins which shall—

(A) weigh 11.34 grams;

(B) have a diameter of 1.205 inches; and

(C) be minted to the specifications for half-dollar coins contained in section 5112(b) of title 31, United States Code.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

SEC. 4. DESIGNS OF COINS.

(a) DESIGNS REQUIREMENTS.—

(1) IN GENERAL.—The designs of the coins minted under this Act shall be emblematic of the National Purple Heart Hall of Honor.

(2) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year “2022”; and

(C) inscriptions of the words “Liberty”, “In God We Trust”, “United States of America”, and “E Pluribus Unum”.

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary after consultation with the Commission of Fine Arts and the National Purple Heart Hall of Honor, Inc.; and

(2) reviewed by the Citizens Coinage Advisory Committee.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—

(1) IN GENERAL.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this Act.

(2) USE OF THE UNITED STATES MINT AT WEST POINT, NEW YORK.—It is the sense of Congress that the coins minted under this Act should be struck at the United States Mint at West Point, New York, to the greatest extent possible.

(c) PERIOD FOR ISSUANCE.—The Secretary may issue coins minted under this Act only during the 1-year period beginning on January 1, 2022.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a price equal to the sum of—

(1) the face value of the coins;

(2) the surcharge provided in section 7(a) with respect to such coins; and

(3) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

SEC. 7. SURCHARGES.

(a) IN GENERAL.—All sales of coins issued under this Act shall include a surcharge of—

(1) \$35 per coin for the \$5 coin;

(2) \$10 per coin for the \$1 coin; and

(3) \$5 per coin for the half-dollar coin.

(b) DISTRIBUTION.—Subject to section 5134(f)(1) of title 31, United States Code, all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the National Purple Heart Hall of Honor, Inc., to support the mission of the National Purple Heart Hall of Honor, Inc., including capital improvements to the National Purple Heart Hall of Honor facilities.

(c) AUDITS.—The National Purple Heart Hall of Honor, Inc., shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code, with regard to the amounts received under subsection (b).

(d) LIMITATION.—Notwithstanding subsection (a), no surcharge may be included with respect to the issuance under this Act of any coin during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual 2 commemorative coin program issuance limitation under section 5112(m)(1) of title 31, United States Code (as in effect on the date of the enactment of this Act). The Secretary of the Treasury may issue guidance to carry out this subsection.

SEC. 8. FINANCIAL ASSURANCES.

The Secretary shall take such actions as may be necessary to ensure that—

(1) minting and issuing coins under this Act result in no net cost to the Federal Government; and

(2) no funds, including applicable surcharges, are disbursed to any recipient designated in section 7(b) until the total cost of designing and issuing all of the coins authorized by this Act, including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping, is recovered by the United States Treasury, consistent with sections 5112(m) and 5134(f) of title 31, United States Code.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. CLAY) and the gentleman from Ohio (Mr. GONZALEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

GENERAL LEAVE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material therein.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1830, the National Purple Heart Hall of Honor Commemorative Coin Act.

The Purple Heart is one of the oldest and most recognized American military medals awarded to servicemembers who were killed or wounded by enemy action.

The mission of the National Purple Heart Hall of Honor, located in New Windsor, New York, is to collect and preserve the stories of Purple Heart recipients from all branches of the Armed Forces and across all generations.

The Hall of Honor serves as a living memorial to these servicemembers and ensures that all recipients are remembered. Currently, there are over 200,000 names installed at the Hall of Honor.

This bill would provide tangible support to the Hall of Honor by directing the West Point Mint to produce commemorative coins in recognition of the work of the Hall of Honor. Proceeds from the sale of this coin would fund improvements to the museum itself to help expand the understanding and respect for those who have served and sacrificed.

This bill passed the House last September, but the version we are considering today incorporates changes made by a Senate amendment that updates the time period for issuance of the commemorative coins to fiscal year 2022, and includes financial assurance language that minting and issuing coins under this act will result in no net cost to the Federal Government.

I thank Mr. MALONEY, Mr. TAKANO, and Mr. GALLAGHER for their work on this bill, and I urge Members to vote “yes.”